

Jackson/Teton County Affordable Housing Department



The Timbers Apartments

Quarterly Rental Data Q4 2021



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Overview

Over the past nine quarters (Q4 2019 to Q4 2021), the Jackson/Teton County Affordable Housing Department (“Housing Department”) has collected rental data on the Town of Jackson’s five main apartment complexes: Blair Place Apartments, Aspen Meadows Apartments, The Timbers Apartments, Hidden Hollow Apartments and, new this quarter, Sagebrush Apartments. The report does not provide information about privately rented condominiums, townhomes, or single-family homes. The data collected includes changes in rental rates and vacancy rates. This data is collected and analyzed quarterly to understand changes in pricing, supply, and demand for rental units in the Town of Jackson. The data in this report is provided to Housing Department staff directly by the complexes’ management teams.

This report also provides annual information for Workforce Rental Units and Affordable Rental units. Rent rates for the Affordable Rental units are set annually based on Median Family Incomes by household size. Rent rates for the Workforce Rental units are set by the owner of the unit and change throughout the year, based on lease terms. Workforce Rental units are intended to serve households who earn too much to qualify for the Affordable Program. What we have seen in practice, however, is that these units are serving a spectrum of households, many of whom earn less than 120% of Median Family Income, are paying more than 30% of their monthly income towards rent and are therefore considered “cost-burdened”.

In 2021:

- Market rent rates increased for all unit types (studio, 1-bedroom, 2-bedroom, and 3-bedroom).
- Rent rates for Workforce Rental units were slightly below market rates and higher than rent rates for Affordable Rental units.
- Vacancy rates for all units hovered around 0% the entire year.

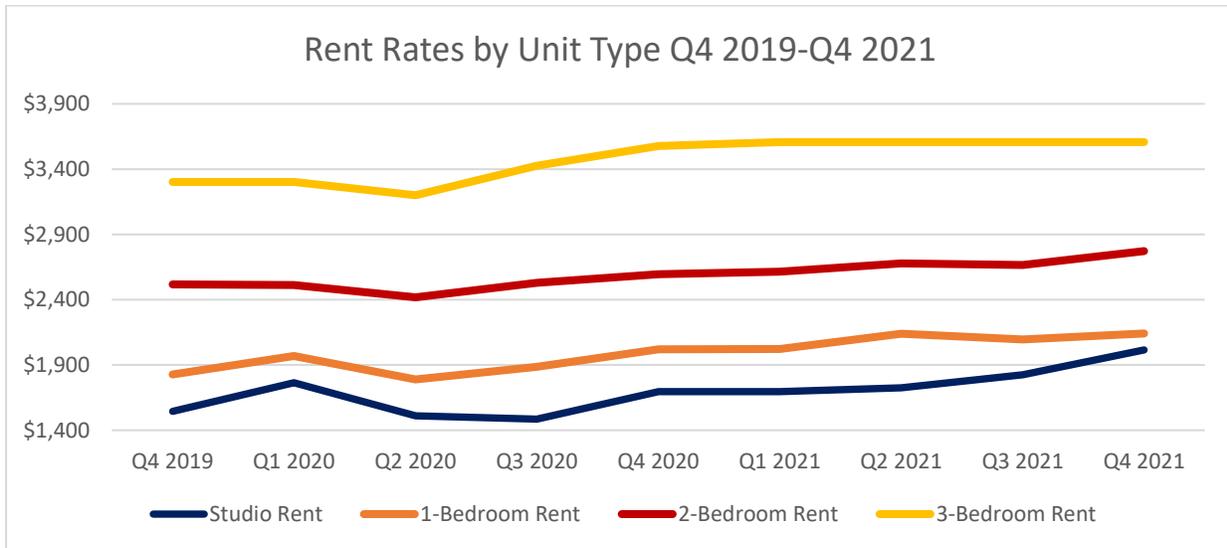
Apartment Complexes by Unit Type					
Development	Studio	1-bedroom	2-bedroom	3-bedroom	Total
Aspen Meadows	0	108	0	8	116
Blair Place	0	111	183	0	294
Hidden Hollow*	0	14	29	22	65
Sagebrush*	9	39	10	0	58
The Timbers	31	30	24	0	85
Total	40	302	246	30	618

*Market units only, does not include deed restricted units located at the development.



Market Rental Rates

Most rent rates by unit type increased in the fourth quarter and all rent rates by unit type increased from Q4 2020 rates.



Average Quarterly Rent by Unit Type

Unit Type	Q1	Q2	Q3	Q4	Yearly % Change
Studio	\$1,695.00	\$1,725.00	\$1,825.00	\$2,015.00	19%
1-bedroom	\$2,021.00	\$2,140.00	\$2,096.00	\$2,141.00	6%
2-bedroom	\$2,615.00	\$2,678.00	\$2,665.00	\$2,772.00	6%
3-bedroom	\$3,608.00	\$3,667.00	\$3,667.00	\$3,667.00	2%

Market Rental Rate Comparison: 2008 & 2021

The Housing Department has market rental data from 2008, pre-Great Recession. This data set includes 351 market rental units, plus over 200 private lease agreements with local property management companies.

At that point in time, Blair Place complex was not fully completed and only had 235 out of its now 292 units built. There was less supply of market apartment rentals as neither Hidden Hollow nor Sagebrush Apartments existed. However, there were other complexes such as the Virginian Lane Apartments and the “Ponderosa” Apartments, both of which have since been turned into condominiums where units have been sold individually.

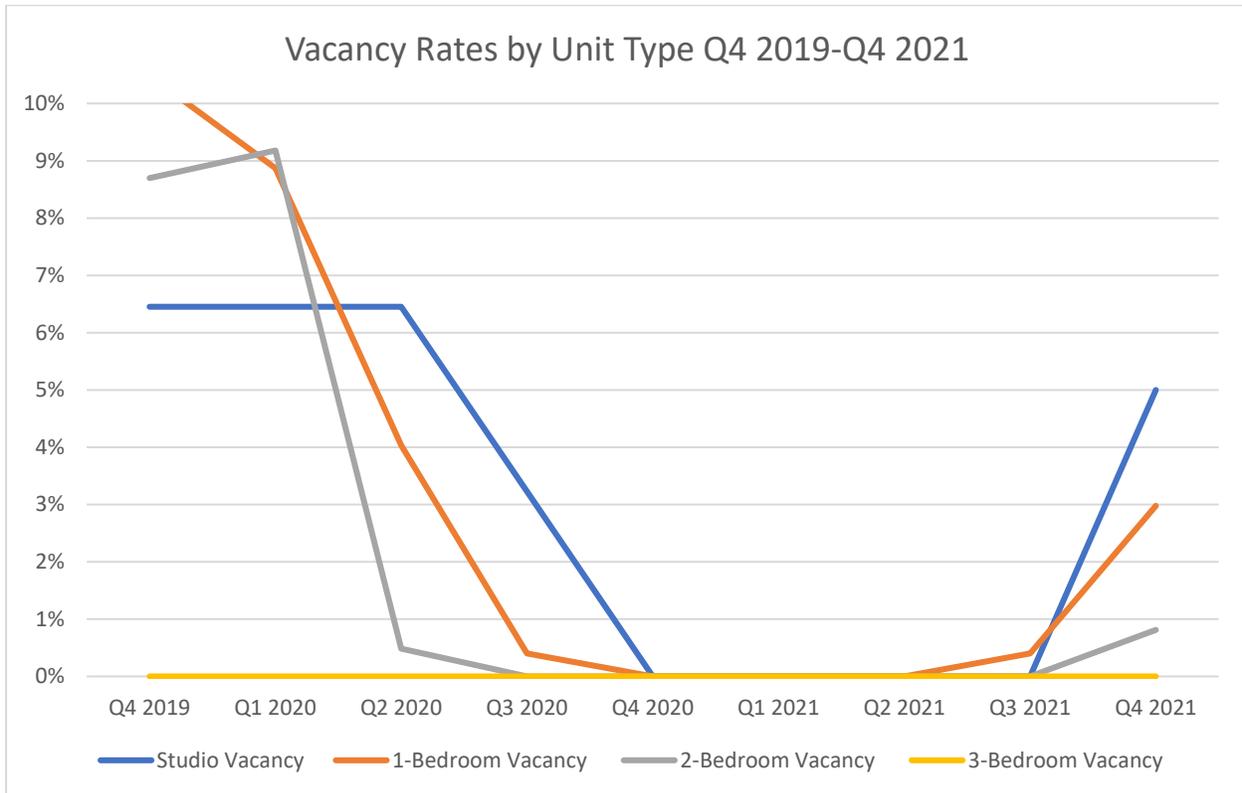
Rent Rates by Unit Type: 2008 & 2021

Unit Type	2008 Rent	2021 Rent	% Change
Studio	\$850	\$2,015	137%
1-bedroom	\$1,050	\$2,141	104%
2-bedroom	\$1,375	\$2,772	102%
3-bedroom	\$1,937	\$3,667	89%



Market Vacancy Rates

For the past six quarters, vacancy rates have hovered close to zero. This quarter, attributable to the addition of 58 new market apartments at Sagebrush (32 more units in this complex are deed restricted), vacancy rates increased slightly.



Quarterly Vacancy Rate by Unit Type 2021

Unit Type	Q1	Q2	Q3	Q4
Studio	0%	0%	0%	5%
1-bedroom	0%	0%	0%	3%
2-bedroom	0%	0%	0%	1%
3-bedroom	0%	0%	0%	0%

Deed Restricted Rental Units

Two types of deed restricted rental units exist: Affordable Rentals and Workforce Rentals.

Affordable Rentals

Affordable Rentals are restricted to serve households earning <120% Median Family Income.

The Grove Apartments

The Housing Department manages a 20-unit Affordable Rental development at The Grove. In 2020, the Housing Authority refinanced this building, allowing for the recategorizing of units over time to an even distribution of 0-50% MFI, 50-80% MFI, and 80-120% MFI. As units come up for rent, staff is changing the affordability as necessary to meet the distribution goal.

In addition to managing The Grove rentals, the Housing Department conducts compliance on over 350 Affordable Rental units. The 2022 year-end rental report will include rent rates and demographic information for these units as well.

2021 Grove Rent Rates by Unit Type			
Unit Type	Number of Units by Deed Restriction		
	0-50% MFI	50-80% MFI	80-120% MFI
1-bedroom	No units	1 unit \$1,191 rent/month	1 unit \$1,618 rent/month
1-bedroom+	1 unit \$631 rent/month	1 unit \$1,062 rent/month	No units
2-bedroom	1 unit \$664 rent/month	2 units \$1,119 rent/month	4 units \$1,592 rent/month
2-bedroom+	No units	No units	8 units \$1,713 rent/month
3-bedroom	No units	1 unit \$1,301 rent/month	No units

Redmond Street Rentals

The Jackson Hole Community Housing Trust manages a 28-unit affordable rental development at Redmond Street Rentals. This development was built in partnership with the Town of Jackson and the Housing Authority.

2021 Redmond Street Rent Rates by Unit Type			
Unit Type	Number of Units and Monthly Rent Rates by Unit Type		
1-bedroom	5 Units \$1,379 rent/month	7 units \$1,514 rent/month	6 units \$1,560 rent/month
1-bedroom ADA	1 unit \$1,494 rent/month	No units	No units
2-bedroom	1 unit \$1,587 rent/month	4 units \$1,785 rent/month	4 units \$1,933 rent/month



Workforce Rentals

Workforce Rentals require tenants to earn 75% of their household income from Local Businesses, at least one tenant must work full-time for Local Businesses, and the household may not own residential real estate within 150 miles of Teton County. These units are typically built using an incentive tool in the Town of Jackson Land Development Regulations that provides additional floor area in exchange for deed restrictions.

While the Affordable Program serves households earning <120% Median Family Income, the Workforce Program is intended to serve households earning >120% Median Family Income and who, therefore, do not qualify for the Affordable Program. While the Workforce Ownership Program is serving those households as intended, the Workforce Rental Program is serving households earning <120% Median Family Income. This is likely due to the imbalance of rental supply and rental demand, coupled with the continued growth of low-wage jobs. As more deed restricted rental units are built, we anticipate seeing some vacancy and slightly lower rental rates for Workforce Rental units.

Currently, 205 deed restricted rental units (78 Affordable Rental units and 127 Workforce Rental units) are in the pipeline for future development, which means they have formally begun the entitlement process.

Sagebrush Apartments

This quarter saw the completion of the Sagebrush Apartments. Tenants moved into the 90-unit complex located on Broadway beginning in October. Sagebrush Apartments were approved in 2017. Utilizing the Planned Unit Development (“PUD”) tool in the old Land Development Regulations (the PUD tool no longer exists), the developer was able to add an extra story of development (four stories total) in exchange for placing permanent Workforce Rental deed restrictions on the equivalent of one story of floor area (32 units total).

At initial lease up, the Housing Department is tasked with qualifying the tenants living in each deed restricted unit to ensure they meet the Workforce Program requirements.

Sagebrush Workforce Restricted Average Monthly Rent Rates* by Unit Type

4 studios	\$1,995/month
22 one-bedroom	\$2,389/month
6 two-bedroom	\$2,966/month

*Includes required \$200 monthly fee for cable, parking, and storage.

Sagebrush Tenants in Workforce Units by Income Range

<50% MFI	50-80% MFI	80-120% MFI	120-200% MFI
2 households	11 households	14 households	5 households
<30% monthly income spent on rent			
Zero households	Zero households	5 households	5 households
30-40% monthly income spent on rent			
1 household	Zero households	7 households	Zero households
>40% monthly income spent on rent			
1 household	11 households	2 households	Zero households



Hidden Hollow Apartments

Hidden Hollow was approved in 2016 and used the PUD tool to build an extra story of residential development in return for deed restricting the equivalent square footage within the development.

Annually, the Housing Department is tasked with qualifying the tenants living in each deed restricted unit to ensure they meet the Workforce Program requirements. As of December 1, 2021, the Housing Department has qualified 55 households to live in Workforce restricted units at Hidden Hollow. Hidden Hollow has until December 17, 2021 to provide the Housing Department with complete information for the remaining four Workforce units if they wish to avoid default action.

Hidden Hollow Workforce Restricted Average Monthly Rent* Rates by Unit Type	
13, one-bedroom	\$2,100/month
39, two-bedroom	\$2,500/month
7, three-bedroom	\$3,400/month

*Rent rates do not include additional monthly charges that vary by unit and tenant preference

Hidden Hollow Tenants in Workforce Units by Income Range				
<50% MFI	50-80% MFI	80-120% MFI	120-200% MFI	>200% MFI
<i>1 household</i>	<i>7 households</i>	<i>20 households</i>	<i>20 households</i>	<i>7 households</i>
<30% monthly income spent on rent				
<i>Zero households</i>	<i>1 household</i>	<i>1 household</i>	<i>17 households</i>	<i>7 households</i>
30-40% monthly income spent on rent				
<i>1 household</i>	<i>Zero households</i>	<i>14 households</i>	<i>3 households</i>	<i>Zero households</i>
>40% monthly income spent on rent				
<i>Zero households</i>	<i>6 households</i>	<i>5 households</i>	<i>Zero households</i>	<i>Zero households</i>



Appendix A: Housing Department Restriction Programs

The Housing Department has two active housing restriction programs: Affordable Program & Workforce Program.

Housing Department Programs – Summary of Requirements	
Affordable Program: Rental and Ownership	Workforce Program: Rental and Ownership
Three income ranges: 0-50% MFI, 50-80% MFI, 80-120% MFI. Asset limits based on income range.	75% of the household’s income must be earned locally. No asset limit.
Houses are priced based on income ranges and unit size (bedrooms). Units appreciate annually based on CPI capped at 3%.	Initial sales prices are set by the developer. Once sold, units appreciate annually based on CPI capped at 3%.
Rental rates are set based on income ranges and unit size (bedrooms).	Rental rates are not capped and are set by the unit owner.
Households must meet minimum size requirements: 1 person per bedroom.	No minimum household size requirement.
Household may not own residential real estate within 150 miles of Teton County, WY.	
At least one adult must work a minimum of 1,560 hours per year for a local business.	